



California Fair Political Practices Commission

November 3, 1988

Roxani M. Gillespie
Insurance Commissioner
Department of Insurance
100 Van Ness Avenue
San Francisco, CA 94102

Re: Your Request for Advice
Our File No. I-88-417

Dear Ms. Gillespie:

Your letter to Commission Chairman John Larson was given to me for response. Your letter concerns the content of a brochure on Propositions 100 and 103.

The Commission's Legal Division does provide written advice to persons with questions about their duties under the Political Reform Act.^{1/} (Section 83114(b).) We do not provide advice to third parties about another person's duties unless the third party has been authorized to request advice by the person whose duties are in question. (Regulation 18329(b)(8)(B).) Therefore, we cannot provide advice on the question you have raised. However, I have referred your letter to our Enforcement Division for review. If you have any questions, that division can be reached at (916) 322-6441.

Sincerely,

Diane M. Griffiths
General Counsel

Kathryn E. Donovan

By: Kathryn E. Donovan
Counsel, Legal Division

DMG:plh:REFENF

^{1/} Government Code Sections 81000-91015. All statutory references are to the Government Code unless otherwise indicated. Commission regulations appear at 2 California Code of Regulations Section 18000, et seq. All references to regulations are to Title 2, Division 6 of the California Code of Regulations.

DEPARTMENT OF INSURANCE

100 VAN NESS AVENUE
SAN FRANCISCO, CALIFORNIA 94102

FPPC

Oct 24 9 06 AM '88



October 20, 1988

John Larson, Chairman
Fair Political Practices Commission
P.O. Box 807
Sacramento, CA 95804

Dear Mr. Larson:

I received the enclosed letter and campaign brochure on Propositions 100 and 103 on the November ballot from Mr. Frank Harris.

Mr. Harris feels the literature is misleading for reasons outlined in his letter. I agree with him that the information on the back page citing Department of Insurance statistics should be more prominently separated from the rest of the campaign literature. This would avoid giving readers the impression that the Department is the source for all information printed on the page. I would appreciate your looking into this matter to see whether the brochure is in compliance with state election laws.

I have notified Mr. Harris that I have forwarded his letter to you. Thank you for your assistance.

Very truly yours,

Roxani M. Gillespie

Roxani M. Gillespie
Insurance Commissioner

RMG/no

enclosure

cc: Frank W. Harris
2129 Rose Street
Berkeley, CA 94709

DEPARTMENT OF INSURANCE

100 VAN NESS AVENUE
SAN FRANCISCO, CALIFORNIA 94102



October 20, 1988

Frank W. Harris
2129 Rose Street
Berkeley, CA 94709

Dear Mr. Harris:

Thank you for sending a copy of a "Voter's Guide" published by Californians Against Unfair Rate Increases opposing Propositions 100 and 103.

You are correct that it takes a careful reading and excellent vision to locate the sponsor of the advertisement in the fine print. Indeed, the propaganda war being waged by sponsors of competing initiatives makes it difficult for voters to sort fact from fiction.

I also agree that the information on the back of the flyer culled from a Department of Insurance study on territorial rating should be set aside more prominently from the rest of the copy to prevent voters from assuming we are the source for the material on the entire page. A black line separating Department statistics from the sponsor's campaign pitch is hardly enough to prevent confusion.

I have taken the liberty of forwarding your letter to the Fair Political Practices Commission (FPPC), which enforces the California Elections Code and regulates political advertising. You may also wish to inform your elected representatives of your views.

Once again, thank you for writing.

Very truly yours,

Roxani M. Gillespie
Insurance Commissioner

RMG:no

✓cc: John Larson, Chairman
Fair Political Practices Commission
P.O. Box 807
Sacramento, CA 95804

Memorandum

To : Kathy Donovan


Date : October 25, 1988

From : Fair Political Practices Commission
John H. Larson, Chairman *John*

Subject: Letter received from Roxani M. Gillespie

Attached hereto is a letter received from Roxani M. Gillespie, Insurance Commissioner for the State of California regarding misleading campaign brochures.

I would appreciate if you would do the necessary in reference to a quick response.



October 8, 1988

This is the mailed flyer that I spoke with someone in your office about this afternoon.

To me it is a fraud being perpetrated on the voters and steps should be taken to expose it.

In the upper left hand corner, on the face cover, the sponsor is listed as Californians Against Unfair Rate Increases.

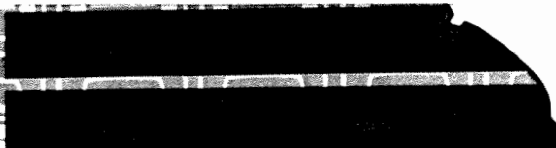
If you take a magnifying glass, and examine the bottom of the back page, you find that that organization is "sponsored by a COALITION OF INDEPENDENT AGENTS AND INSURERS."

In other words, the insurance industry.

Further, the flyer attempts to give the impression that your department is the source for all that appears on the back page. I assume that the material under the heavy black line is from your statistics. But that is not what the purveyors of this flyer want the reader to believe.

Please let me know what action is taken.

Frank Harris



Use map enclosed in this guide to
calculate your Auto Insurance Rate
Increases under PROPS 100 & 103.